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of rural communities.

# **GUARANTEED RURAL HOUSING HANDBOOK - GEORGIA**

**(revised April 20, 2009)**



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[www.rurdev.usda.gov/ga/rhs.htm](http://www.rurdev.usda.gov/ga/rhs.htm)

# CONTENTS

Two Types of USDA Housing Loan.....	3
Quick Facts.....	4
Lenders Best Practices.. ..	5
Loan Guarantee Process.....	6
RD Forms and Websites.....	7
1980-21, Request for SFH Loan Guarantee – How to fill it out.....	8-9
Guarantee Fee .....	10
Underwriting Issues .....	11
Applicant Eligibility .....	12
Guaranteed Underwriting System “GUS” .....	13
Income Limits .....	14
Household Income Calculation .....	15-16
Credit History .....	17
Ratios .....	18
Loan Purposes .....	19
Loan Limits, Rates/Terms & Costs .....	20
Dwelling Types.....	21
Property Location .....	22-25
Sites (including floodplain info).....	26
New Construction .....	27-28
Existing Dwellings .....	29
Appraisals .....	30
Administrative Notices.....	31
RD State Office Staff, Area Office Staff & County Listings.....	32-35
<u>Checklists:</u> Origination .....36                      Final Submission .....	37
<u>Waivers:</u> Credit ..... 38                      Ratio .....	39

# TWO TYPES OF USDA HOUSING LOANS:

## DIRECT vs. GUARANTEED

### ➤ “Direct” loans:

- Made by USDA *directly* to homebuyer by USDA Area Offices
- Max. income limits of 80% of “median income”
- Limited funds
- Subsidized payments based on income (taxpayer assistance)
- Subsidy “recapture” at end of loan

### ➤ “Guaranteed” loans:

- Originated by Brokers and Originator
- Underwritten by USDA-Approved Lender
- 115% of “median income”
- Gov’t “Budget Authority” funds much more plentiful
- No subsidy available, so no recapture involved

# Quick Facts

- You can always loan up to 100% of appraised value; Up to 102% LTV when financing the 2% guarantee fee (no monthly fee)
- No Private Mortgage Insurance
- “Purchase loans” only (except for re-fis on existing USDA loans)
- Market rates
- No limit on seller concessions & gifts (check with your underwriter)
- High lender profits – (many lenders swear by this program! )
- Flexible credit / ratios
- No insulation requirements for existing dwellings
- Income & property location restrictions apply
- Underwriting lender guidelines may be more strict than RD (must follow those)

# Lenders Best Practices

## “How to be Effective”

- **“What If” Scenario's**  
Discuss “What if's” with your underwriter.
- **Eligible Properties**  
Look at the eligibility Map. The lender has the final responsibility to make sure that the property is in an eligible area. The USDA eligibility website is a tool that can be used, but the search results are not fail proof. Lenders may need to utilize Tax Assessors websites for property location. A visit to the property may be required to make certain of the location. Follow additional instructions on pages 23-25. While USDA's assistance is available we are not liable for any incorrect determination.
- **Checklist's are for Your Use**  
Use the checklist's on pages 36-37. These are the standard items that are needed in a full doc submission package and a final submission package. Too much information slows down the approval process.
- **Correct Loan Amount**  
Make sure the loan amount is correct on the first submission to RD. Do not close a loan for more than the Conditional Commitment was issued.
- **Incomplete Information**  
Make sure that your package is complete with the 1980-21, “Request for Loan Note Guarantee” filled out correctly. See pages 8-9.
- **Closing Date**  
Set your closing date once you receive your Conditional Commitment. Due to the volume of loans, last minute RUSH closings are impossible.
- **Use GUS**  
Utilize our FREE Guaranteed Underwriting System (GUS). All applications submitted through GUS should be completed in GUS regardless of the result: Accept, Refer or Refer with Caution. GUS is only for USDA-approved lenders. Broker access coming soon.
- **Review Regulations**  
Read regulations, administrative notices and the lender handbook. All of the above have valuable information in processing your loans. Links are included throughout the handbook.
- **Underwriting Submission Packages**  
Packages may be submitted by email or overnight delivery. We have a common email box for electronic underwriting submission packages which is [ra.gagr@ga.usda.gov](mailto:ra.gagr@ga.usda.gov). You will need to put the county in which the property is located in the Subject line along with the office that will process the loan. See pages 33-35. If you overnight, you will need to identify the county in which the property is located. See pages 33-35 on which office you will send your underwriting package.

# LOAN GUARANTEE PROCESS

1980-D, 1980.354-362

- Originating or underwriting lender determines if applicant meets Rural Development (RD) eligibility guidelines and if the property is located in an eligible area
- USDA approved underwriting lender should submit underwritten application packages using the Origination Package Checklist (page 36) or GUS directly to Rural Development's Local Office serving the county in which the property is located (see pages 34-35). There is one common email box for Georgia if you are submitting files electronically.
- Rural Development Area Specialist or designee reviews package and issues *Conditional Commitment for Guarantee* or will express the need for additional information within 2 business days.
- Once Conditional Commitment is received, the lender may close the loan subject to the conditions listed.
- A Conditional Commitment is good for 90 days unless otherwise stated. It can be extended **one time only** for an additional 90 days upon written request to RD.
- After the loan closing, the Lender uses the RD Final Submission Checklist (page 37) and submits the closing package to RD along with the guarantee fee. All closing packages must be sent to the RD office that services the county in which the property is located regardless of which office originated the Conditional Commitment (see pages 34-35)
- RD reviews and issues the Loan Note Guarantee.

# RD FORMS & WEBSITES

## ➤ Origination

- [Form 1980-86](#) – OPTIONAL (*Reservation of Funds*)
- [Form 1980-21](#) (*Request for Single Family Housing Loan Guarantee*) – See pages 8-9 for a completed example

## ➤ Closing

- [Form 1980-19](#) (*Loan Closing Report*)
- [Form 1980-18](#) (Lender Certifications - reverse of “*Conditional Commitment*” and its Attachment)
- [Form 1980-11](#) (*Lender Record Change* - if applicable)

- RD Homepage for: [GA](#) ; [Nation-wide](#)
- Governed by [1980-D regulation](#)
- [Income / Property Eligibility](#)
- Updates are issued by [Administrative Notices](#) (“ANs”). Look for ones pertaining to “1980-D”
- [Sign up](#) for “ListServ” to receive automated updates directly from Washington D.C. to your email inbox

UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT  
RURAL HOUSING SERVICE

## REQUEST FOR SINGLE FAMILY HOUSING LOAN GUARANTEE

TO: Rural Development Rural Housing Service	<b>You will address this to the office which services the loan according to what county the property is located see pages 34 &amp; 35</b>	Lender ID No. 58-12345678
		Lender Name Main Street Lender
		Lender Contact Person Susie Whoever
		Lender Phone Number (770) 123-4567
		Lender Fax Number (770) 234-5678

**The address should be the address of the subject property**

Please issue a Conditional Commitment for Single Family Housing Loan Guarantee in the following case:

Applicant's Name, Address, and County John Q and Jane S. Public 1234 Anywhere Road Rockmart, GA 30111-1234  Polk County	Social Security No. 123-44-5678  Date of Birth 06-01-1976  Telephone Number (770) 987-6543
--	---

1. The applicant ☐ has ☒ does not have a relationship with any current Rural Development employee.2. The applicant is a (check applicable): ☒ US citizen ☐ qualified alien ☐ U.S. Non-citizen National☐ other (explain)3. The applicant is a (check applicable): ☐ veteran ☒ first time homebuyer

4. Number of persons in the household: 4

5. The applicant's credit report indicates (check one):

a. The applicant has no credit history

b. The applicant has no adverse credit history

c. The applicant has experienced adverse credit history but we have determined that it is beyond the applicant's control

d. Other (explain):

6. The current annual income for the household is: \$ 72,300.00

7. The current adjusted income for the household is: \$ 66,140.00

8. TOTAL DEBT ratio 39.83 PITI ratio 28.52

9. We propose to loan \$ 106,500.00 for 30 years at 5.2500 % per annum with payments of \$ 588.95 per month.

10. The interest rate is based on the ☒ Fannie Mae ☐ VA rate on☒ The interest rate is locked in until 04-20-2009☐ The interest rate will float until loan closing.

(If this option is checked and the interest rate increases at loan closing, the loan must be re-underwritten and this certification must be updated).

11. The applicant is unable to secure the necessary conventional credit without a Rural Development guarantee upon terms and conditions which the applicant could reasonably be expected to fulfill.

12. The applicant understands that Rural Development approval of the guarantee is required and is subject to the availability of funds.

13. Housing and Urban Development's Credit Alert Interactive Voice Response System (CAIVRS) was checked for outstanding delinquent Federal debts and confirmation No. A123456789 was obtained.

14. Loan funds will be used for the following purpose(s):

Purpose	Amount
Purchase Existing Home	\$ 100,000.00
Closing Cost \$2570 & GRH Fee \$3930	\$ 6,500.00
<b>Total Loan =</b>	<b>\$ 106,500.00</b>

**Make sure that you break out the Sales price, closing cost, GRH fee and any repairs.****Make sure ratios, loan amt. and interest rate match 1008.****Make sure your household number includes all people who will be living in the household.****Annual income will include all household income (even income of those that are not parties to the note). Adjusted income will be the annual minus any deductions (see pages 14).**

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0078. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.



## Certifications

In order to induce the Agency to issue the requested guarantee, we certify that we have originated and underwritten the loan in compliance with all Agency loan requirements. This form contains or is supplemented with all information required by 7 CFR 1980.353(c).

**SIGN HERE**

Date

Lender's Authorized Representative Signature

Make sure that you discuss this information with your applicants and they understand this section.

## Applicant(s) Acknowledgments and Certifications

**CERTIFICATION.** As the applicant, I certify to the best of my knowledge and belief; (1) I am not presently debarred, suspended, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency; (2) I have not within a three year period preceding the proposal been convicted or had a civil judgment rendered against me for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state or local) transaction or contract under a public transaction; or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statement, or receiving stolen property; (3) I do not have an outstanding judgement lien on any property for a debt in favor of the United States which was obtained in any Federal court other than the United States Tax Court; and (4) I am not delinquent on any outstanding debt to the Federal Government (excluding and Federal tax debt).

I (We) certify and acknowledge that if the Agency pays a loss claim on the requested loan to the lender, I (We) will reimburse the Agency for that amount. If I (We) do not, the Agency will use all remedies available to it, including those under the Debt Collection Improvement Act, to recover on the Federal debt directly from me (us). The Agency's right to collect is independent of the lender's right to collect under the guaranteed note and will not be affected by any release by the lender of my (our) obligation to repay the loan. Any Agency collection under this paragraph will not be shared with the lender.

I AM (WE ARE) unable to provide the housing I (we) need on my (our) own account, and I am (we are) unable to secure the credit necessary for this purpose from other sources upon terms and conditions which I (we) can reasonably fulfill. I (we) certify that the statements made by me (us) in this application are true, complete and correct to the best of my (our) knowledge and belief and are made in good faith to obtain a loan.

**Warning:** Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any Department or Agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

**SIGN HERE**

Borrower

Co-Borrower

Date

# Guarantee Fee

The one-time guarantee fee amount is 2 percent of the loan amount, and .5 percent for refinancing an existing GRH or Direct loan.

Approved Lenders and RD staff will be notified of any change to the fee.

This fee can be financed into the loan – even exceeding the appraised value (102% LTV).

The fee is the only amount by which the loan can exceed the appraised value.

If it is not being financed, the LTV is 100%.

NOTE: WHEN LOANING THE ENTIRE GUARANTEE FEE, THE MAXIMUM LOAN ON ANY GIVEN PURCHASE PROPERTY IS: APPRAISED VALUE DIVIDED BY .98

## Calculation when the Guarantee Fee is Financed into the loan

Sales Price	\$
Plus	
Financed Closing Cost (including regular closing cost, prepaids and repairs)	\$
Total (Sales Price & Closing Cost)	\$
Divide by .98	
Total Loan Amount including GRH Fee	\$

## Calculation when the Guarantee Fee is not Financed into the loan

Sales Price	\$
Plus	
Financed Closing Cost (including regular closing cost, prepaid and repairs)	\$
Total (Sales Price & Closing Cost)	\$
Multiply by .02	
GRH Fee	\$

## Calculation for when the USDA Refinance Guarantee Fee is financed into the loan

Principal Balance	\$
Plus	
Financed Closing Cost (including regular closing cost, prepaids and interest)	\$
Total (Prin. Bal & Closing Cost)	\$
Divide by .995	
Total Loan Amount including GRH Fee	\$

If you are not financing the Guarantee fee for a Refinance, you will take your loan amount and multiply by .005. This will give you your fee.

# Underwriting Issues

- **Income Calculations** – Make sure that your income calculation of how you arrived at your household income plus your “qualifying for ratios” income is located in the lender’s file. See calculation tool on page 14 for calculating household income.
- **Risk Layering** (See AN List – page 31)  
Risk layering is the existence of multiple levels of risk in an application such as payment shock, credit waiver, ratio waiver, buydown, recent self-employment, etc. Generally, RD will allow only 1 layer of risk without additional documented strong compensating factors. Lenders should be very cautious when evaluating applications with multiple layers of risk.
- **Payment Shock** (See AN List – page 31)  
Payment shock is when PITI is more than *twice* their existing rent. Measured as a percentage by dividing the new PITI by previous housing expense minus 1. In cases where payment shock is 100% or higher, no additional risk layering should be allowed unless strong compensating factors are present.
- **Credit Waivers** – see page 17; **Ratio Waivers** – see page 18
- **Termite Letters** – Existing house: only required if inspector recommends additional inspection, however it is suggested that lenders obtain a “Hold Harmless” statement signed by the applicant; New construction: Building Code (IRC 2006 edition-Section R320) requires termite “control methods” in GA. If an agreement has been made between the buyer and seller, it is recommended that the lender retain the termite documentation in their file.
- **Non-U.S. Citizens** (See AN List – page 31)  
Approved applicants must be a U.S. citizen, a U.S. non-citizen national, or a qualified alien. See AN 4302 (or its replacement) for acceptable documentation.
- **Deferred Student Loans**  
Payments on deferred loans must be included in total debt ratios, no matter the length of deferment. When the actual payment amount can not be obtained you can use 1% of the balance for the monthly payment.
- **Loan Amount or Interest Rate Increases or Decreases**  
When submitting a request to increase the loan amount or the interest rate of a loan, send the following to the Area Specialist:
  - New Form RD 1980-21 (new date and new signatures)
  - New FNMA 1003 (application)
  - Statement of new qualifying ratios (can use a new 1008)

***THESE DOCUMENTS SHOULD BE SENT TO RURAL DEVELOPMENT AFTER UNDERWRITER APPROVAL, PRIOR TO LOAN CLOSING. A REVISED CONDITIONAL COMMITMENT FOR GUARANTEE SHOULD BE RECEIVED BEFORE THE LOAN IS CLOSED. (THIS SHOULD ONLY BE NEEDED IN RARE CIRCUMSTANCES)***

**Decrease** - Loan amount or interest rate decreases do not have to be submitted for review or concurrence.
- **Homebuyer Education** - required for first-time homebuyers. RD does not dictate which method or curriculum is used. It should be a recognized course. The applicant must take and pass the course test to receive a certificate.
- **“Grossing-up”** Non-Taxed Income is allowed to boost repayment income by 125%
- **Earned Income Credit** may be added to repayment income

# APPLICANT ELIGIBILITY

## (Manual Underwriting)

### ➤ **TWO TYPES OF INCOME:**

1) **HOUSEHOLD INCOME:** All gross household income must be counted toward Income Limits (pg. 14),

2) **REPAYMENT INCOME:** Only the adequate and dependable income of Promissory Note signers. Typically, income with less than 24 months' history is not used. Underwriter documents dependability.

➤ **RATIOS:** 29 / 41 - If exceeded, ratio waiver must be requested by the underwriter with documented compensating factors (pg. 18).

➤ **CREDIT HISTORY:** Credit is acceptable if middle credit score is 620 or higher. If below 620, underwriter must do a full credit assessment per pages 36-37 of [1980-D regulation](#). Waivers may be documented on Credit Waiver (pg. 38) or on 1008 or similar form with proper documentation.

**If below 580**, lenders should not approve if applicant(s) exhibit derogatory credit items per pages 36-37 of 1980-D regulations. **Extraordinary compensating factors** must be present to warrant a credit waiver when credit score is below 580.

➤ **PREVIOUS LOAN:** The applicant cannot have had a previous RD loan which resulted in a loss to the government unless RD determines the loss was beyond the applicant's control & circumstances have been removed.

➤ **OTHER FEDERAL DEBT:** The applicant cannot be delinquent on a tax or non-tax federal debt. The Lender will check HUD's CAIVRS system for this purpose.

➤ **PRESENT HOUSING:** The applicant cannot own an adequate dwelling within the local commuting area after the proposed loan closes. A manufactured home on a rented site or on a non-permanent foundation is considered inadequate. (see AN list-pg. 31).

➤ **OTHER CREDIT:** The Lender documents that the loan would not be made without the gov't guarantee (for whatever reason).

➤ **CITIZENSHIP:** The applicant must be a citizen or a qualified non-US Citizen (see AN list-pg. 31).

➤ **LEGAL CAPACITY:** The applicant must possess the legal capacity to incur the loan obligation.

➤ **OCCUPANCY:** The applicant must have the potential ability to personally occupy the home on a permanent basis.

➤ **Documentation:** Any documentation required by agency regulations will be retained in the lenders file for compliance review.

➤ **Co-Signers:** Not Allowed under RD guidelines

# Guaranteed Underwriting System - “GUS”

## (Automated Underwriting)

- GUS is free and available to all USDA approved lenders.
- Import/Export feature is available for Fannie Mae Version 3.2 and MISMO AUS 3.2.1.
- GUS analyzes the data entered and renders a result of:
  - Accept
  - Refer -or-
  - Refer with Caution
- For “Accept” loans, only 3 forms are required to submit to RD:
  - Fully Completed and signed 1980-21 “Request for Guarantee”
  - Appraisal with color photos
  - Flood Certification
- For a “Refer” or “Refer with Caution” a full doc manual package is required and manual underwriting regulations will be followed.
- Documentation required by agency regulations will be retained in the lender’s file for compliance review.
- Data Integrity is very important and subject to the Agency’s compliance review. Please make sure that you enter all correct data into GUS and use “auto populate” from the credit report for debts.
- For the “GUS Lender User Guide” and training go to [USDALINC](#)
- For general help or technical questions please call the GUS Helpdesk at 1-800-457-3642 Option 2, Option 2.
- To sign up for GUS please email [ashley.carlan@ga.usda.gov](mailto:ashley.carlan@ga.usda.gov)
- See [AN 4423](#) for further guidance on GUS.

# INCOME LIMITS FOR GEORGIA Effective 4/20/09



	Household Size	
	1 to 4	5 to 8
<b>Atlanta MSA (24 counties)</b> (Barrow, Bartow, Carroll, Cherokee, <del>Clayton</del> , <del>Cobb</del> , Coweta, Dawson, <del>DeKalb</del> , Douglas, <del>Fayette</del> , Forsyth, Fulton, <del>Gwinnett</del> , Heard, Henry, Jasper, Newton, Paulding, Pickens, Pike, <del>Rockdale</del> , Spalding, Walton)	<b>\$ 82,450</b>	<b>\$ 108,850</b>
<b>Houston County</b>	<b>\$ 75,550</b>	<b>\$ 99,750</b>
<b>All other counties in GA</b> <del>Bibb, Clarke, Muscogee,</del> <del>Richmond</del>	<b>\$ 73,600</b>	<b>\$ 97,150</b>

Above incomes are maximum, adjusted, gross household income limits. Counties lined out are entirely ineligible areas

These limits are adjusted household gross income. One time adjustments to annual income are:

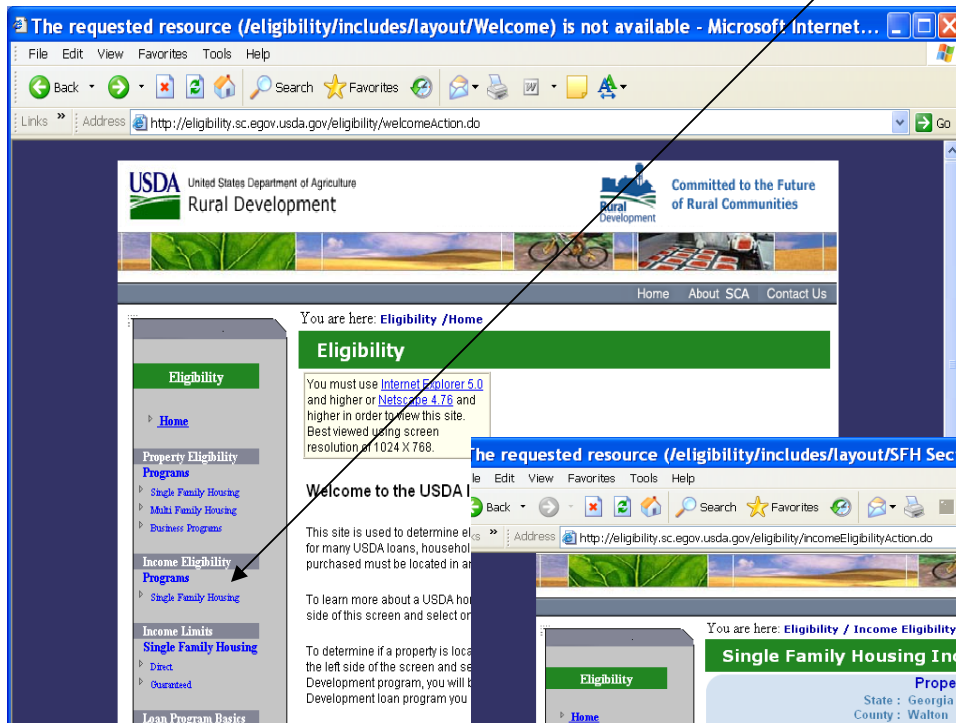
- \$480 per household member who is:
  - Under 18 years old
  - 18 years old or older and disabled
  - 18 years old or older and a full time student
- \$400 for an elderly borrower. Defined as an applicant who is:
  - Age 62 or older or
  - Disabled
- Medical expenses not covered by insurance for an elderly household member that exceed 3% of the gross annual income.
- 100% of child care for minors 12 years old or younger to the extent necessary to enable the borrower's family to be gainfully employed or to further education. Payment cannot be made to persons that can be claimed as a dependent

Calculation Tool for Household Income								
			Check Calculation Methods Used					
	Yearly Income Total	VOE/Check stub Dated	Year to Date	Hourly rate x 40 x 52	Monthly Rate x 12	Salary	Overtime/ Bonuses	Self-Employed
Applicants Income	\$							
Co-Applicants Income	\$							
Other Household Members Income	\$							
<b>Total Household Income</b>	<b>\$</b>							
<b>Show calculation Below</b>								

# Household Income Calculation

<http://eligibility.sc.egov.usda.gov>

Under “Income Eligibility”, click “Single Family Housing”



Choose state & county, then fill in required info

# Household Income Calculation

<http://eligibility.sc.egov.usda.gov>

Enter annual  
child care (daycare) paid and  
all income from all sources  
(monthly basis)

The requested resource (/eligibility/.../Section 502 GLP Eligibility Check Work - ...)

File Edit View Favorites Tools Help

Back Forward Stop Home Search Favorites Refresh Links Address <http://eligibility.sc.egov.usda.gov> Go

**Expenses and Deductions**  
Annual Child Care Expenses: 4800

**Gross Monthly Income**

	Applicant	Other Household Member
Base Employment Income	4100	2000
Overtime Income	100	50
Bonus Income	50	0
Commission Income	0	0
Self-Employment Income	0	0
Dividend/Interest Income	0	0
Net Rental Income	0	0
Other Income	0	0

All Other Income Received by Adult Members of the Household: (See help for further explanation)

The requested resource (/eligibility/includes/layout/SFH Section 502 GLP Eligibility Check Work - ...)

File Edit View Favorites Tools Help

Back Forward Stop Home Search Favorites Refresh Links Address <http://eligibility.sc.egov.usda.gov> Go

**Single Family Housing Income Eligibility**

**Property Location**  
State : Georgia  
County : Jackson  
Metropolitan Area : Jackson County

**Single Family Housing Program  
Income Eligibility Determination Summary**

Applicant is **ELIGIBLE** for the Section 502 Guaranteed Rural Housing Loan Program and **INELIGIBLE** for the Section 502 Direct Rural Housing Loan Program based on income entered and Program Income Guidelines in effect as of 06-30-2008. (Applicant must show repayment ability, have a reasonable credit history for the loan requested, and must meet other program requirements.)  
[Contact Us](#) for further details on the Guaranteed Loan Program.  
[Contact Us](#) for further details on the Direct Loan Program.

**Summary of Adjusted Annual Household Income**

Annual Household Income :	\$75,600.00
Total Deductions :	\$5,760.00
Household Adjusted Annual Income :	\$69,840.00

**Section 502 Guaranteed Rural Housing Loan Program**  
Maximum Adjusted Household Income for Selected State and County : \$70,750.00

**Section 502 Direct Rural Housing Loan Program**

It will tell you if household  
income level is "Eligible"  
(below limits)

Reminder that credit &  
repayment ability still  
have to be considered



# Credit History

## (Manual Underwriting)

1980-D, 1980.345 (d)

Also, see AN List – page 31

### **Credit Scores**

Use the middle score if 3 scores issued; use the lower if only 2 scores issued, if 1 score, use it.

If the credit score is:

- **620 or above**, credit is considered acceptable. Also, documentation is streamlined as follows:
  - No credit waiver required if derogatory trade lines appear (except for delinquent Federal debt)
  - No rental history required
- **Below 620**, a full credit assessment must be done by the underwriter in accordance with pages 36-37 of the 1980-D regulation. Underwriters should be especially cautious of layered risks (in addition to the lower credit score), such as:
  - Questionable repayment income or job stability: The lender's underwriter is responsible for calculating income & approving the loan. Applicants with commission only jobs or varying amounts of overtime and bonus income may not exhibit enough stable income to qualify.
  - Ratio waivers should be avoided unless strong supporting documentation
  - Credit waiver: If the underwriter deems the adverse credit acceptable, then the underwriter should document their decision on the FNMA form 1008 in the "Underwriter Comments" section. If any waiver is considered, or the applicant has questionable repayment or job stability, the loan record must contain sufficient justification by the underwriter for approving the loan. If a credit waiver is granted, the lender must secure documentation evidencing that the circumstances surrounding the adverse information were:

Temporary in nature, and  
Were beyond the applicant's control, and  
Have been removed so their reoccurrence is unlikely

Alternately, the lender must secure documentation evidencing that the delinquency arose from a justifiable dispute related to defective goods or services.

Bankruptcies must be discharged for: 12 months for a Chapter 13; 36 months for Chapter 7 (if credit score is below 620).

- **Below 580**, lenders should not approve loans in this category if they exhibit an derogatory credit per pages 36-37 of 1980-D regulation. **Extraordinary compensating factors** must be present to warrant a credit waiver. Additional risk layering in addition to the lower score is not recommended.
- **Waivers**: must be documented by the underwriter on the signed 1008 or Credit Waiver in this package.
- **Acceptable credit reports**: RMCRs, dual-merged or tri-merged, and Non-traditional credit reports. Non-traditional histories: specifics apply. See current AN on this subject on page 31.
- **Collection accounts**: If the Lender determines there are mitigating circumstances, the Lender is responsible to determine what collection accounts, if any, should be paid in full by the applicant prior to or at loan closing. Mitigating circumstances must be documented in the Lender's file and on the underwriting transmittal (1008 or its equivalent).

# Ratios

[1980-D](#), 1980.345 (b) & (c)

Also, see AN List – page 31

## Ratio Limits - 29 / 41

Total Debt ratio must include debts with 6+ months remaining, alimony/child support paid & other short-term debt of significant impact. All debts on the credit report must be included unless you have evidence of 12 months payment from another source.

### **WAIVERS** (See AN List – page 31)

- If either ratio exceeds 29/41, then the Underwriter should clearly document their reason for allowing higher ratios by documenting compensating factors on the signed 1008 or the Ratio Waiver in this package.
- The RD Official must concur in writing with the waiver – can approve waiver by indicating their concurrence anywhere on form 1008 or by signing the Ratio Waiver (if used).
- Compensating factors include: 660+ credit score, accumulated savings, substantial cash reserves after closing, conservative use of credit, PITI < rent, potential for increased earnings due to job training or higher education in their profession. See current AN on ratio waivers.
- A low TD ratio can be coupled with other factors to help support a waiver, but it does not compensate by itself.

- Higher ratios – no waiver (“Energy Advantage Program”)
  - Currently, an applicant may have ratios of 31/43 if the lender documents that the house being purchased was built or upgraded in accordance with the 2000 International Energy Conservation Code (EICC). This is a pilot program that will be re-evaluated in the future.
- Reducing ratios through:
  - Discount points - One underused provision is allowing only low income applicants to finance loan discount points to reduce the interest rate from the authorized maximum rate.
  - Buydowns – See page 79 of the [1980-D regulation](#).
  - Section 8 Vouchers – See AN List – page 31

# Loan Purposes

1980-D, 1980.310

- Purchase a new or existing dwelling/lot [includes townhouses (condo/PUD)], new manufactured homes
- Necessary appliances, energy saving measures and storm cellars
- Condominium units have special requirements (see AN list)
- Legal fees, title services, loan closing costs (including the Guarantee Fee)
- Amounts to establish escrow accounts
- Payment of discount points (only for Low-Income applicants)
- Refinancing is limited to existing RD Guaranteed or RD direct loans. These loans have a .5% (1/2%) Guarantee Fee. Direct loans may have subsidy recapture due. [See ANs on this issue – page 31]

## **Prohibited Loan Purposes**

- Purchase or improvement of income-producing land, or buildings to be used principally for income-producing purposes, or buildings not essential for RH purposes, or to buy or build buildings which are largely or in part specifically designed to accommodate a business or income-producing enterprise. Properties that are closely associated with farm service buildings. Pages 17-18 of [1980-D regulation](#).
- Purchase of a dwelling with an in-ground swimming pool (However, waivers are currently being granted. Appraiser needs to state how much the pool adds to the value. Ex: if pool adds \$2,000 to value of property, then \$2,000 is reduced from appraised value. This amount then becomes maximum amount RD can guarantee plus the guarantee fee. If it adds \$-0-, we can still guarantee up to the appraised value.) Appraiser must document reasoning for value.
- Purchase an existing manufactured home
- Purchase of furniture or other personal property (except for necessary appliances above)
- Refinancing debts owed the Lender (other than construction/development & financing incurred with the proposed loan)
- Payment of fees, charges or commissions such as finder's or placement fees

# Loan Limits, Rates, Terms & Costs

- Maximum loan amount is determined by repayment ability and appraised value.
- Maximum loan amount is:
  - 100% of appraised value if guarantee fee is NOT financed;
  - 102% of appraised value when the entire guarantee fee IS financed.
  - The appraised value can only be exceeded by the amount of the guarantee fee being financed. To get maximum loan amount when all of the fee is financed, divide the appraised value by .98.
- Loan amount may include all closing costs and guarantee fee.
- Payments must be made monthly.
- Term of loan must be 30 years.
- Late fee must not exceed HUD, FNMA or FHLMC limits and are not covered by guarantee.
- Interest rates cannot exceed the higher of either the FNMA 90 day posted yield fixed rate, plus 60 basis points (.6%) rounded up to the nearest one quarter of one percent (.25%) -or- the VA rate Lender charges VA customers. [Click here](#) for the FNMA site for obtaining this rate.
- Lender's charges and fees must be the same as what is charged their other customers for FHA/VA or other high LTV loans (See AN List – page 31)

# Dwelling Types

1980-D , 1980.310 & 1980.313

## ➤ Dwellings eligible under this program include:

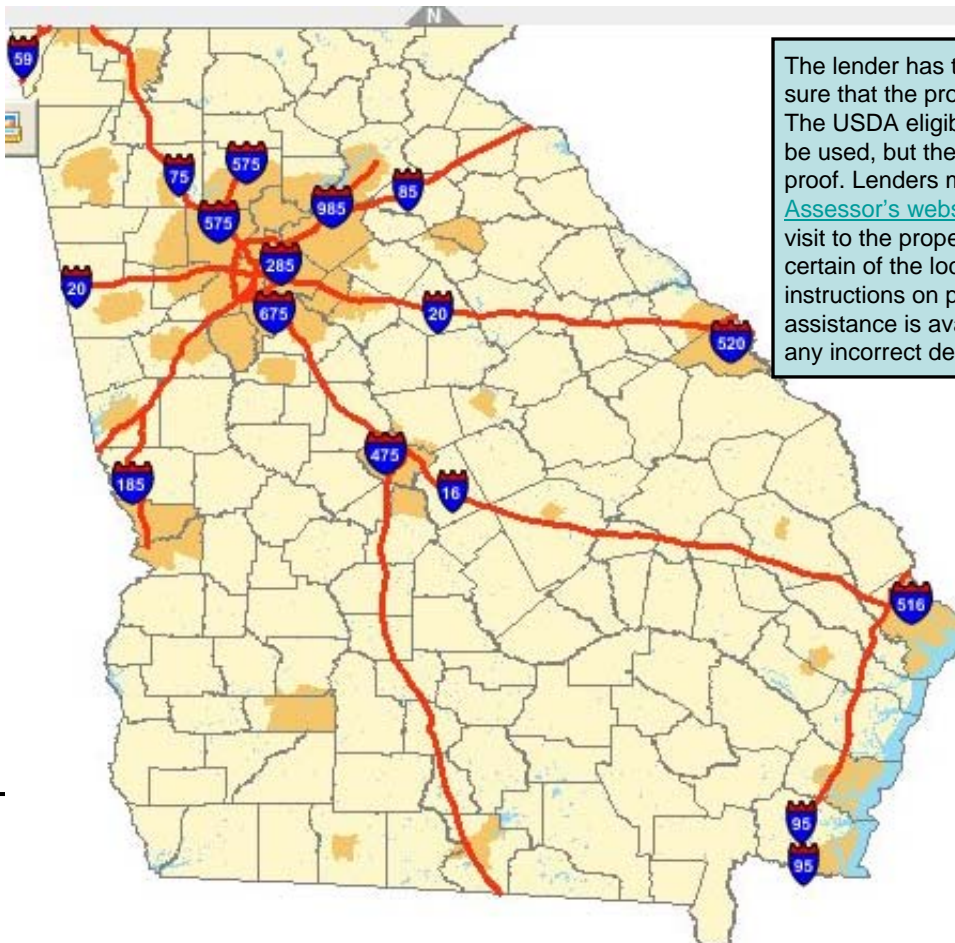
- New and existing site-built homes.
- New and existing modular homes (built by same codes as site-built homes, but are built in a plant, transported to the site, and lifted by crane onto the site-built foundation). These will have a Department of Community Affairs (DCA) label in the unit to designate it as “modular”.
- Condominium units that meet the current RD requirements
- Homes within a PUD (Planned Unit Development) – See AN List – page 31.
- Only new “manufactured” homes that are set up by an approved dealer/contractor. The Local Office of RD has a list of approved dealer/contractors. These units will have a HUD label on the exterior of each section to designate it as a “manufactured” home. Specific guidelines for GA apply.
- The term “townhouse” refers to the physical layout of a dwelling unit. See the above references to determine if the unit is a condo or PUD.

# Property Location

1980-D, 1980.313

Shaded areas below are in-eligible

- Since the Agency is the USDA, it can only finance properties located in a designated [rural areas](#).
- **ENTIRELY INELIGIBLE COUNTIES (10)**  
Bibb, Clarke, Clayton, Cobb, Dekalb, Fayette, Gwinnett, Muscogee, Richmond and Rockdale
- **COUNTIES WITH SOME INELIGIBLE AREAS**  
Baldwin, Bartow, Barrow, Bulloch, Camden, Carroll, Catoosa, Chatham, Chattahoochee, Cherokee, Columbia, Coweta, Dade, Dougherty, Douglas, Floyd, Forsyth, Fulton, Glynn, Hall, Henry, Houston, Jones, Laurens, Lee, Liberty, Long, Lowndes, Madison, Newton, Oconee, Paulding, Spalding, Thomas, Troup, Walker, Walton and Whitfield
- **ENTIRELY ELIGIBLE COUNTIES** - All other counties in Georgia.



The lender has the final responsibility to make sure that the property is in an eligible area. The USDA eligibility website is a tool that can be used, but the search results are not fail proof. Lenders may need to utilize [Tax Assessor's websites](#) for property location. A visit to the property may be required to make certain of the location. Follow additional instructions on pages 23-25. While USDA's assistance is available we are not liable for any incorrect determinations.

# Property Location

<http://eligibility.sc.egov.usda.gov>

Under “Property Eligibility”, click on “Single Family Housing”

USDA United States Department of Agriculture Rural Development

You are here: [Eligibility / Property Eligibility](#)

## Rural Housing Services

### USDA Property Eligibility

Property eligibility can be determined in any one of three ways:

- Enter an address below,
- Select a state from the map, or
- Click the Text Description button

**Pin Point Address on U.S. Map**

Please enter an Address:  
(State and Zip Code must be entered)

Address

City

State\*

Zip-Code\*  -

[Click here to find out about additional](#)

Then, input Property Address

The requested resource (/eligibility/includes/layout/Select State) is not available - Microsoft Inter...

You are here: [Eligibility / Property Eligibility](#)

### Georgia Property Eligibility

**Eligibility**

- Home
- Property Eligibility Programs
  - Single Family Housing
  - Multi Family Housing
  - Business Programs
- Income Eligibility Programs
  - Single Family Housing
- Income Limits
  - Single Family Housing
    - Direct
    - Quaranteed
- Loan Program Basics
  - Single Family Housing
    - Direct
    - Quaranteed
- Contact Us
  - Single Family Housing
    - Direct
    - Quaranteed

USDA Property Eligibility Map

0 7212R

This address IS eligible.

The requested resource (/eligibility/includes/layout/Select State) is not available - Microsoft Inter...

You are here: [Eligibility / Property Eligibility](#)

### Georgia Property Eligibility

**Eligibility**

- Home
- Property Eligibility Programs
  - Single Family Housing
  - Multi Family Housing
  - Business Programs
- Income Eligibility Programs
  - Single Family Housing
- Income Limits
  - Single Family Housing
    - Direct
    - Quaranteed
- Loan Program Basics
  - Single Family Housing
    - Direct
    - Quaranteed
- Contact Us
  - Single Family Housing
    - Direct
    - Quaranteed

USDA Property Eligibility Map

0 7716R

This address is not located in an eligible area.

Map Pixels:125,569 -- Map Coords:34.21, -83.76 -- Map Scale:0.000216

Trusted sites

rev. 4/20/09

23



# Property Location

<http://eligibility.sc.egov.usda.gov>

The requested resource (http://eligibility.sc.egov.usda.gov/Select State) is not available - Microsoft Internet Explorer

You may get this result:  
 "UNABLE TO DETERMINE ADDRESS".  
 This means address is "new" and is not in our system. What now?

Try locating property using Google Maps or similar site.

1000 jersey social circle road, social circle, ga

Jersey Social Circle Rd SE  
 Social Circle, GA 30025  
 Make this my default location

UNABLE TO DETERMINE ADDRESS

Georgia Property Eligibility

USDA Property Eligibility Map

Map Pixels:226,400 -- Map Coords:31.69, -79.93 -- Map Scale:0.016257

The requested resource (http://eligibility.sc.egov.usda.gov/Select State) is not available - Microsoft Internet Explorer

Next, compare the Google map to the USDA "rural-urban" map for that area.

To get this, click the map of either N GA or S GA & "zoom" in by continuing to click the map of the county where the property is located

Click these icons & then click the map to "zoom in" & "zoom out"

Property eligibility can be determined in any one of three ways:  
 -Enter an address below,  
 -Select a state from the map, or  
 -Click the Test Description button

Pin Point Address on U.S. Map  
 Please enter an Address:  
 (State and Zip Code must be entered)

Address  
 City  
 State\* Select State  
 Zip-Code\* -  
 Get Map

Click here to find out about additional areas that are also considered eligible, including disaster areas

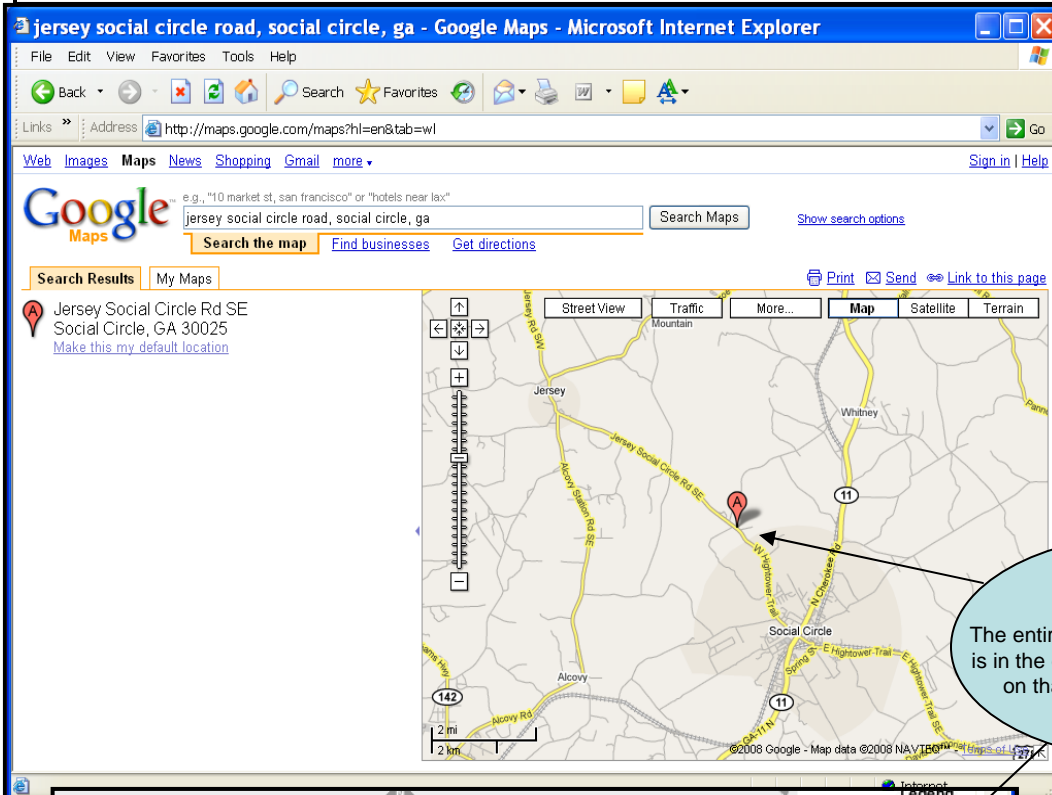
Georgia Property Eligibility

USDA Property Eligibility Map

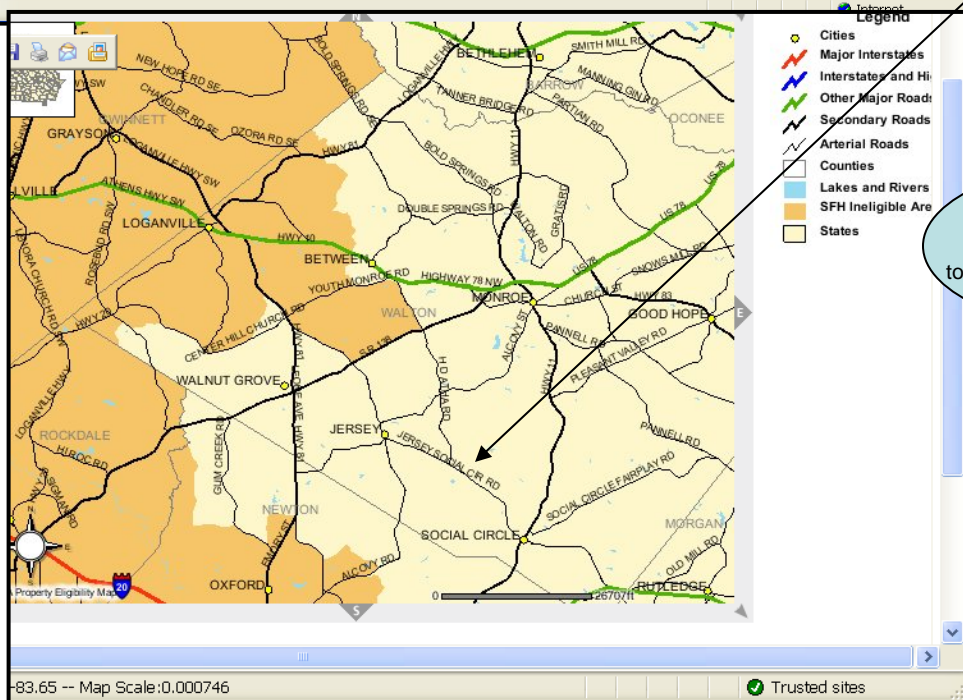


# Property Location

## Compare maps



Example:  
The entire "Jersey-Social Circle Road" is in the eligible area, so all properties on that road are in eligible area



NOTE: Driving directions from Realtor / Builder can also be used to compare to USDA's rural-urban map

# Sites

1980-D, 1980.313

- The property must be contiguous to and have direct access from a street, road, or driveway. Streets and roads must be hard surfaced or all-weather surface.
- If shared and/or easement driveway, Lender should retain copy of a recorded, perpetual, non-exclusive easement for ingress and egress.
- Value of the site must not exceed 30% of the total property value. Can be documented in the cost approach section of the appraisal. (exceptions can be made if the value is typical for the area and cannot be subdivided into 2 or more lots).
- Subdivisions must be approved by local, regional, state, or federal agencies. Dwellings in a Planned Unit Development (PUD) are acceptable (see [AN List](#)).
- Properties with community wells or sewage systems will require a state operating permit, and for private wells, provide evidence of compliance with the Safe Drinking Water Act and the Clean Water Act, and a legally binding agreement which allows the Lender to enforce the obligation of the operator to provide satisfactory service at reasonable rates. Lenders retain in their file.
- Shared Wells: refer to the [HUD reference guide](#)
- RD reserves the right to inspect the property prior to issuing the Conditional Commitment if concerns exist.
- Class I or II Environmental Reviews will delay processing (ex: floodplains). For houses located in a flood zone, adequate flood insurance must be obtained and included in qualifying ratios.

# New Construction

Less than 1 year old

(See AN List – page 31)

- [Click Here](#) to determine if your property is in a “Code” or “Non-Code” county/city (Acronyms for the 8 required codes are: B, M, G, P, E, F, EG & R)

➤ **PERMITS/CERTIFICATIONS**

Items needed (kept in Lender’s file) when new house is in a “Code County/City” (has adopted the [GA Building Codes](#)):

- Certificate of Occupancy
- Well/septic certification (if applicable)
- Termite certification
- Minimum 1-year Builder’s Warranty

Items needed (kept in Lender’s file) when new house is in a “Non-Code County/City” (has not adopted the [GA Building Codes](#)):

- Plan certification (see next page)
- Inspection reports (see next page)
- Well/septic certification (if applicable)
- Termite certification
- Minimum 1-year Builder’s Warranty (If an acceptable 10-year Warranty used, only final inspection is required) otherwise, we can guarantee 90% of appraised value

➤ **ENERGY CODE - NEW CONSTRUCTION**

Homes must be built in accordance with the current [GA Energy Code](#) which is the 2006 International Energy Conservation Code with GA amendments). Evidence in Lender’s file may include a plan certification that references the GA Energy Code or a C.O. if the county/city has adopted the GA Energy Code.

# New Construction (con't)

Less than 1 year old

(See AN List – page 31)

➤ **Plan certifications** (evidence is retained in Lender's file):

- A copy of the Building Permit or Certificate of Occupancy (CO) if the county/city has adopted the mandatory building codes ([click here](#) for list of counties/cities & what codes they have adopted – Acronyms for the 8 required codes are: B, M, G, P, E, F, EG & R) or
- A Form RD 1924-25 or similar document executed by:
  - A builder who is enrolled in a Ten Year Warranty plan approved by RD – they must list his/her warranty company name and builder's number
  - A County Plan reviewer who has had Code training and is certified as a Plan Reviewer
  - A licensed Architect or a licensed Engineer or
  - A Plan Service (such as Standard Home Plans, W.D. Farmer)

➤ **Inspections** (retained in Lender's file):

When a 1-year builder warranty is obtained, lender retains warranty plus:

- The Certificate of Occupancy issued by a local jurisdiction that performs at least 3 construction phase inspections, including those prescribed in RD Instruction 1980-D §1980.341(b)(2), or
- Evidence of three construction inspections performed (footing, dry-in, final).

When a ten-year warranty (approved by RD) is obtained, lender retains warranty plus the final inspection.

If the house was appraised subject to completion per plans/specs, the appraiser must do a follow-up inspection to determine that the completed house represents the appraised property.

➤ **Warranties** (retained in Lender's file)

- A minimum of a 1-year builder's warranty is required
- A 10-year warranty is preferred . It is required if only final inspection has been done on properties in "non-code" cities/counties – otherwise, we can guarantee 90% of appraised value

# Existing Dwellings

Built for more than 1 year  
(See AN List – page 31)

- **Rural Development requires quality properties and reserves the right to require additional information regarding property condition and/or value when it appears the property or appraisal does not meet standards**

- **INSPECTIONS (FHA appraiser or home inspector)**

The dwelling must meet the current requirements of:

- HUD Handbook [4150.2](#) (appraisal handbook) and
- HUD Handbook [4905.1](#) (*Requirements for Existing Housing-One to Four Family Living Units*).

- **FHA Appraiser**

Inspections of existing properties may be accomplished by having an FHA-roster appraiser complete the appraisal stating the property meets HUD Handbooks 4150.2 & 4905.1. They do not issue a “HUD number” for their appraisal, but they would follow all other FHA requirements.

- **Home inspector**

- When FHA appraisals are not accessible or available, a home inspection report completed by an inspector deemed qualified by the lender will satisfy the existing home inspection requirement for GRH loans.
- When required, Lenders are expected to obtain the home inspection report prior to an appraisal to determine the suitability of the dwelling for the program and what repairs will be required. A copy of the inspection will be provided to the loan applicant.

- **REPAIRS**

The Agency requires only those repairs necessary to ensure that the dwelling is structurally sound, functionally adequate, and in good repair under 1980.313. Repair of minor items on the home inspection report can be negotiated between the buyer and seller. Repairs may be included in the loan assuming “As Improved” appraised value supports the loan amount. Loan funds for repairs may be held in escrow. Repairs may be completed within a reasonable timeframe (usually 30 days after closing), inspected for completion and paid out of escrow. RD does not set a limit on the amount of repairs but you will need to check with your underwriter. Exterior repairs only requires 150% holdback of the cost of repairs. Lender certifies all development work has been completed prior to issuance of the Loan Note Guarantee

# Appraisals

All types of dwellings

(See AN List – page 31)

- The Lender will use an [appraiser](#) who is Licensed, Certified Residential, or Certified General by the Georgia Real Estate Appraisers Board to appraise real estate in Georgia involving federally related transactions.
- Appraisal should be less than 6 months old.
- Lenders will instruct their appraisers to use the following appraisal forms in relation to GRH loans as appropriate:
  - Uniform Residential Appraisal Report (FNMA Form 1004/FHLMC Form 70) for one unit single family dwellings, or
  - Manufactured Home Appraisal Report and addendum (FNMA Form 1004C/FHLMC Form 70B) or
  - Individual Condominium Unit Appraisal Report (FNMA Form 1073/FHLMC Form 465) for all individual condominium units
  - 1004 MC Form not currently required
- The Cost Approach method needs to be done only in cases in which it is requested by the Lender, or considered by the appraiser to be a good indicator of value for the subject property. (As an example, the appraiser may believe that the cost approach is a good indicator of value if the dwelling is less than one year old or has been recently renovated.)
- Value of the lot should be stated in the appraisal. (Example: In the cost approach section.)
- RD Review: An administrative review of the appraisal will be done by RD prior to issuance of a Conditional Commitment. Make sure comps are the best available & value is defensible/reasonable.

# Administrative Notices

"ANs" - as of 4/20/09  
Sign up to receive updates by email

<u>AN #</u>	<u>Date</u>	<u>Subject</u>
4363	5/2/08	Acceptable Alternative Documentation to Verify Applicant's Employment Income
4364	5/7/08	Existing Dwelling Inspection Requirements; Acceptable Appraisal Forms
4365	5/7/08	Appraisals in Remote Area
4366	5/7/08	Approved Lender Underwriting Guidelines, Debt Ratio Waivers, Payment Shock and Collection Accounts
4367	5/7/08	Determining Repayment Income for Self-Employed Applicants
4389	9/15/08	Section 8 Homeownership Vouchers
4402	11/17/08	Eligibility of Non-US Citizens
4404	12/3/08	Temporary Interest Rate Buydowns
4407	12/3/08	Lender Charges and Fees
4411	12/3/08	Adequate and Dependable Income Rents or Leases
4412	1/5/09	Correction of Date of Obligation, Increase or Decrease Obligation Amount
4413	12/3/08	Use of Retirement Assets in the Risk Analysis
4414	1/5/09	Program requirements Related to New Construction in PUD's
4423	3/26/09	Guaranteed Underwriting System

**\*\*Please visit the [AN website](#) often to check for updated/new guidance\*\***



## **GUARANTEED RURAL HOUSING STAFF STATE OFFICE (ATHENS, GA)**

USDA, Rural Development  
355 E. Hancock Ave., Stop # 306  
Athens, Georgia 30601  
Phone: 706-546-2169  
Fax: 706-613-3046

### **EDWARD E. PEACE**

DIRECTOR, SINGLE FAMILY PROGRAMS  
E-mail: [ed.peace@ga.usda.gov](mailto:ed.peace@ga.usda.gov)

### **ASHLEY CARLAN**

GA GRH Coordinator  
Single Family Housing Specialist  
E-mail: [ashley.carlan@ga.usda.gov](mailto:ashley.carlan@ga.usda.gov)

### **PATRICIA CRUSE**

Single Family Housing Specialist  
E-mail: [patricia.cruse@ga.usda.gov](mailto:patricia.cruse@ga.usda.gov)



## **AREA OFFICES – GEORGIA**



Submit electronic underwriting packages to our  
Common Email box at [ra.gagr@ga.usda.gov](mailto:ra.gagr@ga.usda.gov)

In the subject line please include the office that will process the request and the county in which the property is located (Ex: Barnesville / Henry Co.) See the next 2 pages for the list of counties.

### **Barnesville Area Office**

231 Hwy 41 North, Suite D  
Barnesville, GA 30204  
770-358-0787 / fax 770-358-6788

Primary Contact: Charles Adkins [charles.adkins@ga.usda.gov](mailto:charles.adkins@ga.usda.gov)  
Marcella Little [marcella.little@ga.usda.gov](mailto:marcella.little@ga.usda.gov)  
Tizra Dozier [tizra.dozier@ga.usda.gov](mailto:tizra.dozier@ga.usda.gov)

### **Cartersville Area Office**

12 Felton Place, Suite A  
Cartersville North Business Center  
Cartersville, GA 30120  
770-386-3393/ fax 770-387-0429

Primary Contact: Mark Rice [mark.rice@ga.usda.gov](mailto:mark.rice@ga.usda.gov)  
Ben Davis [benjamin.davis@ga.usda.gov](mailto:benjamin.davis@ga.usda.gov)  
Nancy Rowell [nancy.rowell@ga.usda.gov](mailto:nancy.rowell@ga.usda.gov)  
Carolyn Kilgore [carolyn.kilgore@ga.usda.gov](mailto:carolyn.kilgore@ga.usda.gov)  
Tamika Lucas [tamika.lucas@ga.usda.gov](mailto:tamika.lucas@ga.usda.gov)

### **Clarkesville Area Office**

555 Monroe Street – Unit 83  
Clarkesville, GA. 30523  
706-754-6239 / fax 706-754-9821

Primary Contact: Samuel Kirkland [Samuel.kirkland@ga.usda.gov](mailto:Samuel.kirkland@ga.usda.gov)  
Melodie Brooks [melodie.brooks@ga.usda.gov](mailto:melodie.brooks@ga.usda.gov)  
Marlyn Hollis [marlyn.hollis@ga.usda.gov](mailto:marlyn.hollis@ga.usda.gov)

### **Statesboro Area Office**

151 Langston Chapel Rd. Suite 500  
Statesboro, GA 30458  
912-871-2620 / fax 912-871-6547

Primary Contact: Jeanmarie DeLoach [jeanmarie.deloach@ga.usda.gov](mailto:jeanmarie.deloach@ga.usda.gov)  
June Forehand [june.forehand@ga.usda.gov](mailto:june.forehand@ga.usda.gov)  
Wanda Singleton [wanda.singleton@ga.usda.gov](mailto:wanda.singleton@ga.usda.gov)  
Bert Walker [albert.walker@ga.usda.gov](mailto:albert.walker@ga.usda.gov)  
Nancy Perry [nancy.perry@ga.usda.gov](mailto:nancy.perry@ga.usda.gov)

### **Thomson Area Office**

226 Bob Kirk Road, NW  
Thomson, GA 30824  
706-595-1339 / fax 706-595-5025

Primary Contact: Roger Jenkins [roger.jenkins@ga.usda.gov](mailto:roger.jenkins@ga.usda.gov)  
Deborah Pennington [deborah.pennington@ga.usda.gov](mailto:deborah.pennington@ga.usda.gov)  
Stephanie Childs [stephanie.childs@ga.usda.gov](mailto:stephanie.childs@ga.usda.gov)

### **Tifton Area Office**

2406 North Tift Ave. – Suite 103  
Tifton, GA 31794  
229-382-0273 / fax 229-382-2823

Primary Contact: Sylvia Lee [sylvia.lee@ga.usda.gov](mailto:sylvia.lee@ga.usda.gov)  
Evette Mills [evette.mills@ga.usda.gov](mailto:evette.mills@ga.usda.gov)

## GEORGIA

COUNTY	USDA RD LOCATION	State-County Codes		COUNTY	USDA RD LOCATION	State-County Codes	
APPLING	Statesboro	10	001	DOOLY	Tifton	10	046
ATKINSON	Statesboro	10	002	DOUGHERTY	Tifton	10	047
BACON	Statesboro	10	003	DOUGLAS	Cartersville	10	048
BAKER	Tifton	10	004	EARLY	Tifton	10	049
BALDWIN	Thomson	10	005	ECHOLS	Tifton	10	050
BANKS	Clarkesville	10	006	EFFINGHAM	Statesboro	10	051
BARROW	Clarkesville	10	007	ELBERT	Clarkesville	10	052
BARTOW	Cartersville	10	008	EMANUEL	Thomson	10	053
BEN HILL	Tifton	10	009	EVANS	Statesboro	10	054
BERRIEN	Tifton	10	010	FANNIN	Cartersville	10	055
BIBB	Barnesville	10	011	FAYETTE	Cartersville	10	056
BLECKLEY	Barnesville	10	012	FLOYD	Cartersville	10	057
BRANTLEY	Statesboro	10	013	FORSYTH	Clarkesville	10	058
BROOKS	Tifton	10	014	FRANKLIN	Clarkesville	10	059
BRYAN	Statesboro	10	015	FULTON	Cartersville	10	060
BULLOCH	Statesboro	10	016	GILMER	Cartersville	10	061
BURKE	Thomson	10	017	GLASCOCK	Thomson	10	062
BUTTS	Barnesville	10	018	GLYNN	Statesboro	10	063
CALHOUN	Tifton	10	019	GORDON	Cartersville	10	064
CAMDEN	Statesboro	10	020	GRADY	Tifton	10	065
CANDLER	Statesboro	10	021	GREENE	Clarkesville	10	066
CARROLL	Cartersville	10	022	GWINNETT	Clarkesville	10	067
CATOOSA	Cartersville	10	023	HABERSHAM	Clarkesville	10	068
CHARLTON	Statesboro	10	024	HALL	Clarkesville	10	069
CHATHAM	Statesboro	10	025	HANCOCK	Thomson	10	070
CHATTAHOOCHEE	Barnesville	10	026	HARALSON	Cartersville	10	071
CHATTOOGA	Cartersville	10	027	HARRIS	Barnesville	10	072
CHEROKEE	Cartersville	10	028	HART	Clarkesville	10	073
CLARKE	Clarkesville	10	029	HEARD	Cartersville	10	074
CLAY	Barnesville	10	030	HENRY	Barnesville	10	075
CLAYTON	Cartersville	10	031	HOUSTON	Barnesville	10	076
CLINCH	Statesboro	10	032	IRWIN	Tifton	10	077
COBB	Cartersville	10	033	JACKSON	Clarkesville	10	078
COFFEE	Statesboro	10	034	JASPER	Barnesville	10	079
COLQUITT	Tifton	10	035	JEFF DAVIS	Statesboro	10	080
COLUMBIA	Thomson	10	036	JEFFERSON	Thomson	10	081
COOK	Tifton	10	037	JENKINS	Thomson	10	082
COWETA	Cartersville	10	038	JOHNSON	Thomson	10	083
CRAWFORD	Barnesville	10	039	JONES	Barnesville	10	084
CRISP	Tifton	10	040	LAMAR	Barnesville	10	085
DADE	Cartersville	10	041	LANIER	Tifton	10	086
DAWSON	Clarkesville	10	042	LAURENS	Thomson	10	087
DECATUR	Tifton	10	043	LEE	Barnesville	10	088
DE KALB	Clarkesville	10	044	LIBERTY	Statesboro	10	089
DODGE	Statesboro	10	045				

# GEORGIA

COUNTY	USDA RD LOCATION	State-County Codes		COUNTY	USDA RD LOCATION	State-County Codes
LINCOLN	Thomson	10 090		TAYLOR	Barnesville	11 033
LONG	Statesboro	10 091		TELFAR	Statesboro	11 034
LOWNDES	Tifton	10 092		TERRELL	Barnesville	11 035
LUMPKIN	Clarkesville	10 093		THOMAS	Tifton	11 036
MCDUFFIE	Thomson	10 094		TIFT	Tifton	11 037
MCINTOSH	Statesboro	10 095		TOOMBS	Statesboro	11 038
MACON	Barnesville	10 096		TOWNS	Clarkesville	11 039
MADISON	Clarkesville	10 097		TREUTLEN	Thomson	11 040
MARION	Barnesville	10 098		TROUP	Cartersville	11 041
MERIWETHER	Cartersville	10 099		TURNER	Tifton	11 042
MILLER	Tifton	11 000		TWIGGS	Barnesville	11 043
MITCHELL	Tifton	11 001		UNION	Clarkesville	11 044
MONROE	Barnesville	11 002		UPSON	Barnesville	11 045
MONTGOMERY	Statesboro	11 003		WALKER	Cartersville	11 046
MORGAN	Clarkesville	11 004		WALTON	Clarkesville	11 047
MURRAY	Cartersville	11 005		WARE	Statesboro	11 048
MUSCOGEE	Barnesville	11 006		WARREN	Thomson	11 049
NEWTON	Clarkesville	11 007		WASHINGTON	Thomson	11 050
OCONEE	Clarkesville	11 008		WAYNE	Statesboro	11 051
OGLETHORPE	Clarkesville	11 009		WEBSTER	Barnesville	11 052
PAULDING	Cartersville	11 010		WHEELER	Statesboro	11 053
PEACH	Barnesville	11 011		WHITE	Clarkesville	11 054
PICKENS	Cartersville	11 012		WHITFIELD	Cartersville	11 055
PIERCE	Statesboro	11 013		WILCOX	Tifton	11 056
PIKE	Barnesville	11 014		WILKES	Thomson	11 057
POLK	Cartersville	11 015		WILKINSON	Thomson	11 058
PULASKI	Barnesville	11 016		WORTH	Tifton	11 059
PUTNAM	Thomson	11 017				
QUITMAN	Barnesville	11 018				
RABUN	Clarkesville	11 019				
RANDOLPH	Barnesville	11 020				
RICHMOND	Thomson	11 021				
ROCKDALE	Clarkesville	11 022				
SCHLEY	Barnesville	11 023				
SCREVEN	Thomson	11 024				
SEMINOLE	Tifton	11 025				
SPALDING	Barnesville	11 026				
STEPHENS	Clarkesville	11 027				
STEWART	Barnesville	11 028				
SUMTER	Barnesville	11 029				
TALBOT	Cartersville	11 030				
TALIAFERRO	Thomson	11 031				
TATTNALL	Statesboro	11 032				





GUARANTEED RURAL HOUSING

## **ORIGINATION PACKAGE CHECKLIST**

Date: \_\_\_\_\_

Applicant name(s): \_\_\_\_\_

Lender loan number: \_\_\_\_\_

**Please ensure that all documents have consistent names & loan amounts.**

- ☐ **Uniform Residential Loan Applications (initial & final)\***  
Must be fully completed and signed by the applicant(s).
- ☐ **Lender's Loan Underwriting Analysis\***  
Uniform Underwriting Analysis and Transmittal Summary or similar form signed by the underwriter.
  - ☐ Final comments and requirements of underwriter must be attached.
  - ☐ Compensating factors are attached, if required by Rural Development regulations or Administrative Notices.
- ☐ **Form RD 1980-21, "Request for Single Family Housing Loan Guarantee"**  
Revision date 6/06 or later. Itemize the loan purposes- break out the guarantee fee if it is financed into the loan.
- ☐ **Income verification and calculation – use Form 1008 or pg. 14**  
(<120 days old; <180 days old for new construction)
- ☐ **Credit history verification\***
- ☐ **Purchase agreement\***
- ☐ **Appraisal with color photos (less than 6 months old)**
- ☐ **FEMA Form 81-93, "Standard Flood Hazard Determination"**  
NA if refinancing a RD direct or guaranteed debt.
- ☐ **For Non-U.S. Citizens, evidence of legal admittance for permanent residence or indefinite parole.**

**HIGH QUALITY COPIES are acceptable**

**\* Rural Development, Fannie Mae, Freddie Mac, VA and FHA-HUD forms are acceptable.**



## **FINAL SUBMISSION CHECKLIST**

**BORROWERS:** \_\_\_\_\_

**LENDER:** \_\_\_\_\_

- ☐ **FORM RD 1980-19, LOAN CLOSING REPORT**
  
- ☐ **GUARANTEE FEE PAYABLE TO RD - .02 x LOAN AMOUNT = FEE**  
**(.005 x LOAN AMOUNT FOR REFINANCE OF RD LOANS)**
  
- ☐ **COPY OF PROMISSORY NOTE**
  
- ☐ **COPY OF THE HUD-1 SETTLEMENT STATEMENT**
  
- ☐ **FORM 1980-11 LENDER RECORD CHANGE**

**LENDER CERTIFICATIONS:**

- ☐ **REVERSE OF FORM RD 1980-18 and**
  
- ☐ **ATTACHMENT TO FORM 1980-18**

**THE LENDER IS RESPONSIBLE FOR MAINTAINING ALL REQUIRED DOCUMENTS  
IN LENDER'S FILE SUBJECT TO BEING REVIEWED BY RURAL DEVELOPMENT.**



## CREDIT WAIVER

(This form is optional – waiver may be documented on form 1008 or similar form signed by underwriter)

**BORROWER(S):** \_\_\_\_\_

**LENDER:** \_\_\_\_\_

The Credit Report obtained in connection with the subject borrower's application for a RURAL DEVELOPMENT Guaranteed Housing loan contains adverse credit history. I have reviewed this credit report and the documentation provided by the applicant to explain the cause of the adverse ratings and have determined that:

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The above explanation meets ALL of the following conditions and the evidence/documentation has been retained in the underwriting file:

- 1) The circumstances were of a temporary nature,
- 2) Were beyond the applicant's control,
- 3) And they (circumstances) have been removed.

Therefore, in accordance with RD Instruction 1980-D, paragraph 1980.345(d)(3), I hereby waive the adverse credit history and has determined that this borrower is creditworthy. I am not waiving an outstanding judgement.

\_\_\_\_\_  
Signature of Underwriter

\_\_\_\_\_  
Date



## RATIO WAIVER

(This form is optional – waiver may be documented on form 1008 or similar form signed by underwriter)

**Date:** \_\_\_\_\_

**Applicant's Name:** \_\_\_\_\_

**Underwriting Lender's Name:** \_\_\_\_\_

**Underwriter's Name:** \_\_\_\_\_

**Underwriter's Phone #** \_\_\_\_\_

**Proposed Ratios:**                      **Front** \_\_\_\_\_      **Back** \_\_\_\_\_

**Compensating Factors:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Attach any additional comments, documentation or recommendations.**

**I, the Underwriter, hereby approve the proposed ratios based on the compensating factors listed above. As the primary decision-maker, I am responsible for ensuring that the ratios are reasonable and in compliance with the current USDA RD Administrative Notice (AN) concerning debt ratio waivers.**

\_\_\_\_\_  
**Signature of Underwriter**

\_\_\_\_\_  
**Date**

**RD concurrence:**

\_\_\_\_\_  
**Signature of Approval Official**

\_\_\_\_\_  
**Date**